

Consolidated Cash Flow Statement

For the year ended 31 March 2005

	2005	2004
	HK\$'000	HK\$'000
(LOSS)/PROFIT BEFORE TAXATION	(7,997)	1,306,870
Adjustments for:		
Interest expenses	476	23,572
Interest income	(56)	(269)
Depreciation	1,702	1,744
Provision for bad and doubtful debts	—	801
Net loss on disposals of property, plant and equipment	12	1,216
Net gain arising from debts discharged under Schemes of Arrangement	—	(632,718)
Gain on de-consolidation of subsidiaries under Schemes	—	(706,083)
Liabilities written back	—	(11)
Impairment loss on other land and buildings	—	1,363
	2,134	(1,310,385)
Operating cash flow before movements in working Capital	(5,863)	(3,515)
Decrease in trade and other receivables	302	1,612
(Decrease)/increase in trade and other payables	(675)	1,159
	(373)	2,771
Net cash utilised by operations	(6,236)	(744)
Interest paid	(476)	(443)
Interest received	56	84
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(6,656)	(1,103)
INVESTING ACTIVITIES		
Net cash outflow on de-consolidation of subsidiaries and subsidiaries under liquidation	—	(573)
Proceeds from disposals of property, plant and equipment	3	1,908
Purchase of property, plant and equipment	(1,240)	(689)
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES	(1,237)	646

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NET CASH OUTFLOW BEFORE FINANCING	(7,893)	(457)
FINANCING		
Settlement under the Schemes of Arrangement	—	(44,183)
Settlement of restructuring and Schemes expenses	—	(7,756)
Issue of convertible note	—	5,000
Repayment of bank borrowings	(672)	(495)
Issue of new ordinary shares	9,578	46,960
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	8,906	(474)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,013	(931)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(282)	372
CASH AND CASH EQUIVALENTS AT BEGINNING	6,089	6,648
CASH AND CASH EQUIVALENTS AT END OF YEAR	6,820	6,089
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	6,820	6,089

The notes on pages 22 to 49 form an integral part of these financial statements.